

FACT

(Families, Agencies, and Communities Together for Children and Youth At Risk Act)

A BACKGROUND REPORT FOR THE HEALTH AND HUMAN SERVICES INTERIM COMMITTEE June 15, 2005 Meeting, Agenda Item 3

Office of Legislative Research and General Counsel

June 2005

COMMITTEE OBJECTIVES

- Review the history of FACT
- Receive a report from the FACT Council on FACT activities since funding was eliminated in FY 03
- Determine whether to continue, modify, or repeal the FACT statute or seek additional information

WHY REVIEW FACT?

FACT WILL SUNSET IN 2006 FACT is up for sunset review. Absent further action by the Legislature, Title 63, Chapter 75, Families, Agencies, and Communities Together for Children and Youth At Risk Act (FACT) will be repealed July 1, 2006.

FACT IS REQUIRED TO REPORT TO THE COMMITTEE Several years ago, when funding for FACT was reduced, the Legislature specified that the FACT Council would report to the Committee in 2005 on "whether the program should be terminated, continued, or expanded." Later, FACT funding was eliminated entirely, but the reporting requirement remained. A separate reporting provision also requires the Council to report to "the Legislature on an annual basis."

WHAT IS FACT?

AN ATTEMPT TO DEVELOP SYSTEMS OF COOPERATIVE SERVICE DELIVERY Title 63, Chapter 75, Families, Agencies, and Communities Together for Children and Youth At Risk Act (FACT) was enacted in 1989 and subsequently amended "to unite the Department of Human Services, the State Office of Education, the Department of Health, the Office of the Court Administrator, and the Department of Workforce Services, community-based service organizations, and parents to develop and implement comprehensive systems of services and supports for children and youth at risk and their families."

STRUCTURE

- **State/Local, Multi-agency** Since its enactment, FACT has been based on the concept of a statewide multi-agency council overseeing the disbursement of funds to be used by local multi-agency committees or councils that design and implement systems to coordinate and provide services to at-risk youth and their families. The program has always included a focus on prevention and early intervention.

FACT HIGHLIGHTS

1989

- FACT created
- FY 90 funding: \$300,000

1991

- FY 92 funding: \$1,000,000+

1992

- Data sharing authorized

1993

- Steering Committee created
- FY 94 funding: \$4,000,000+
- 1997 sunset date

1995

- FY 96 funding: approx. \$5,000,000

1996

- Reauthorized through 2001
- Legislative audit and recommendations

2002

General Session

- FY 03 funding reduced from \$5 million to \$2 million
- Reporting changed from annual to one time in 2005

Special Session

- FY 03 funding eliminated entirely
- Bill to eliminate FACT statute not passed

December

- Fiscal Analyst report on impacts
 - Education Interim Committee: heard, no action
 - Executive Appropriations: recommendations

2001

- Reauthorized through 2006

2004

- H.B. 236 (use of collaboration) considered but not passed

2005

- One-time report to interim committees
- Annual report to Legislature
- Sunset review

2006

- FACT statute sunsets July 1

population, clarify governance, and enhance accountability.

SERVICE LEVELS During FY 02, the last year FACT was funded, FACT served 2,575 families and 6,188 children through 28 LICs and over 100 site-based programs. Over 80% of the program's budget flowed to site-based programs.

FUNDING

FACT was originally funded in FY 90 with \$300,000. In its third and fourth years, annual funding was tripled to over \$1,000,000. In FY 94 funding was quadrupled to over \$4,000,000. And then in FY 96 funding increased another 25% to approximately \$5,000,000, where it remained essentially constant for seven years. During the 2002 General Session, faced with a \$257 million revenue shortfall for FY 02, the Legislature reduced FACT funding for FY 03 by 60% to \$2,000,000. Then, only four months later, during a special session held to make further budget reductions, FACT funding for FY 03 was eliminated entirely. Since then, no money has been appropriated for FACT.

LEGISLATIVE REVIEW

SUNSET REAUTHORIZATIONS FACT has been reauthorized twice—in 1996 and in 2001.

AUDITOR GENERAL

- **Findings** In 1996 the Legislative Auditor General found that FACT was being implemented in accordance with legislative intent.
- **Recommendations** However, the auditor made three recommendations addressing liability, financial impacts on rural service providers, and the expansion of school-based programs beyond early intervention.

- **LICs and Site-based Projects** FACT is implemented through two basic models: local interagency councils (LICs) that coordinate the delivery of existing services, and site-based projects that deliver services through public schools.

EVOLUTION Over the years FACT has been amended repeatedly to broaden participation by potential service providers, expand the target

2002 GENERAL SESSION During the 2002 General Session the Legislature reduced FACT funding by 60%, from approximately \$5,000,000 in FY 02 to \$2,000,000 in FY 03.

2002 SPECIAL SESSION During the special session held June-July, 2002, the Legislature eliminated FY 03 FACT funding entirely. Legislation that would have repealed FACT was considered but not passed.

FISCAL ANALYST

- **Findings** Following the elimination of funding in 2002, the Legislative Fiscal Analyst found later that year:
 - 75% of LICs (local interagency councils) continued to function
 - Site-based (school-based) programs no longer operated "in their previous form"
 - Services provided with flexible funds were discontinued
 - "Direct services funded through FACT, like FACT school nurses, [were] in large part no longer available"
 - "Where FACT focused on client management, traditional service [was] still available, but more difficult to access"
- **Recommendations** The Fiscal Analyst recommended that:
 - "the Legislature insert cross-agency collaboration and coordination into the statutory missions of appropriate state agencies...."
 - the judicial branch be encouraged "to include a similar philosophy in its mission statements for programs related to child welfare"
 - the FACT Council "identify base resources that can be directed toward collaborative and coordinated service provision" as required by statute
 - "the Legislature review FACT and its enabling legislation again prior to the 2004 General Session"
 - during 2003 "the FACT Council and Steering Committee continue to meet to formulate recommendations for comprehensive collaboration and coordination using existing state resources and reflected in attainable outcome measures"
 - "collaboration and coordination be included in various job descriptions and performance measures for state social service employees"

EXECUTIVE APPROPRIATIONS COMMITTEE In November 2002, the Executive Appropriations Committee adopted the first four of the six recommendations above by the Fiscal Analyst and recommended that "outcome-based performance measures be used to provide accountability for FACT in state agencies."

POST-2002 ACTIVITIES

LEGISLATION CONSIDERED In 2004, the Legislature considered, but did not pass, legislation that would have required the five state agencies that participate in FACT to do the following in order "to make collaboration a part of the core mission of each agency":

- "create agency role clarity and consistency"
- "clarify performance expectations...[for] employees"
- "create performance standards"
- "include evaluation of the use of collaborative practices in the periodic reviews, annual evaluations, or assessments of employee performance"
- "create a system of employee rewards, incentives, or recognition based on excellence in the use of collaborative practices"

- make adjustments "based on periodic satisfaction surveys of parents and other consumers."

FUNDING NOT RESTORED The Legislature has not appropriated any funds for FACT activities during the past four budget cycles, FY 03–06.

FACT COUNCIL CONTINUES TO MEET This statewide governing body consisting of five agency directors and three appointed members has met several times since FACT funding was eliminated, but not quarterly as provided in statute. The Council has attempted to implement the recommendations of the Fiscal Analyst with the assistance of a management group it appointed serve in place of the statutory Steering Committee which no longer functions.

INTERAGENCY AGREEMENT DEVELOPED The FACT Council has developed an interagency agreement on collaboration which it will share with the Committee at its June meeting.

LOCAL FACT PARTNERS SURVEYED The FACT Council surveyed local FACT partners in 2003 and 2004. In 2004 the Council found 3 of 29 counties did not participate in a functioning local interagency council or a management work group on coordination. The Council will provide additional information about the survey results at the Committee's June meeting.

POLICY CONSIDERATIONS

As the Committee considers whether to continue, modify, or repeal FACT, it may wish to consider the following issues based on criteria set forth in the Legislative Oversight and Sunset Act:

- Has FACT satisfied the Legislature's original intent to "develop and implement comprehensive systems of services and supports for children and youth at risk and their families?"
- Does FACT duplicate what is or should be done already by state and local service providers?
- To what extent have the FACT Council, the FACT Steering Committee, and local interagency councils continued to fulfill their various statutory duties following FACT de-funding?
- Should FACT be amended in order for it to more effectively accomplish its purpose?
- Does FACT require the restoration of any funding in order to be effective? If so, at what level?
- To what extent has the public been encouraged to participate in FACT?
- Would repeal of FACT have any adverse effects?
- Is FACT still relevant?

The 2002 report by the Fiscal Analyst and the 1996 legislative audit include observations that help answer some of these questions. The FACT Council and its partners can also provide information to assist the Committee.

FURTHER INFORMATION

Additional information is available from the following resources which served as the basis for this report:

- *Families, Agencies, and Communities Together for Children and Youth At Risk Act*,

Utah Code Annotated 1953, Title 63, Chapter 75.

- *Families, Agencies, and Communities Together for Children and Youth at Risk (FACT): An Evaluation of Effectiveness and Funding Options*, Office of the Legislative Fiscal Analyst, November 19, 2002.
- *A Performance Audit of the FACT Initiative and At-risk Programs*, Office of the Legislative Auditor General, December 1996.
- First Substitute H.B. 236, *Families, Agencies, and Communities Together Amendments*, 2004 General Session of the Utah Legislature.
- H.B. 5011, *Families, Agencies, Communities Together Program Repeal*, 2002 Fifth Special Session of the Utah Legislature.
- *Early Intervention Services for Ensuring Student Success*, Laws of Utah–1989, Chapter 146.